

West Virginia State Democratic Executive Committee Brian Kastick 5 Greenbrier Street Charleston, West Virginia 25311

JUN 1 6 2006

RE: MUR 5760

West Virginia State Democratic

**Executive Committee and** 

Brian Kastick, in his official capacity

as treasurer

Dear Mr. Kastick:

On June 13, 2006, the Federal Election Commission found that there is reason to believe West Virginia State Democratic Executive Committee (the "Committee") and you, as treasurer, violated 2 U.S.C. § 434(b), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). This finding was based upon information ascertained by the Commission in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2). The Factual and Legal Analysis, which more fully explains the Commission's finding, is attached for your information.

You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred

Please note that you have a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519.

MUR 5760 (West Virginia State Democratic Executive Committee) Page 2

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain confidential in accordance with 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A), unless you notify the Commission in writing that you wish the investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Beth Mizuno, the attorney assigned to this matter, at (202) 694-1650.

Sincerely,

Michael E. Toner

Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form

## FEDERAL ELECTION COMMISSION FACTUAL AND LEGAL ANALYSIS

MUR: 5760

RESPONDENT: West Virginia State Democratic

Executive Committee and Brian Kastick, in his official

capacity as treasurer

This matter was generated based on information ascertained by the Federal Election Commission ("the Commission") in the normal course of carrying out its supervisory responsibilities. See 2 U.S.C. § 437g(a)(2).

West Virginia State Democratic Executive Committee and Brian Kastick, in his official capacity as treasurer (the "Committee"), originally reported disbursements of \$233,222 in its 2004 Pre-General Report and disbursements of \$435,590 in its 2004 Post-General Report. It amended those reports on July 28, 2005 and reported \$93,178 in additional disbursements in its amended Pre-General Report and \$131,998 in additional disbursements in its amended Post-General Report (increases in disbursements of 31% and 30%, respectively). The disbursements that the Committee failed to report in its original submissions are described in the chart below.

Report	Recipient	Date	Purpose	Amount
2004 Pre-	Financial Innovations, Inc.	10/04/04	GOTV piece	\$42,581.71
General			<u> </u>	
2004 Pre-	Mammen Pritchard	10/04/04	GOTV mailing piece	\$50,596.35
General				<u>'</u>
			Pre-General Subtotal	\$93,178.06
	77	10/10/04	D	1000000
2004 Post-	Democratic National	10/18/04	Return of campaign funds	\$120,000.00
General	Committee, Victory Fund			
2004 Post-	Steve Cramer	10/27/04	Robo Calls - GOTV /Vote	\$11,998.24
General			Democrat ·	_
			Post-General Subtotal	\$131,998.24
			TOTAL	\$225,176.30

The Reports Analysis Division ("RAD") sent Requests for Additional Information ("RFAI") to the Committee regarding the increased disbursements. The Committee submitted no written response to the RFAIs, however, the Committee's accountant telephoned RAD and explained that the reporting errors were the product of the volume of activity and confusion surrounding the 2004 elections and that the Committee did not know exactly where its money was going until after it filed its reports. However, because the Committee wanted to file its reports on time, it filed the reports without all the pertinent information.

The treasurer of a political committee must file reports of all receipts and disbursements in accordance with the Act. 2 U.S.C. § 434(a)(1). A political committee is required to file a pregeneral election report no later than the 12th day before any election in which the committee makes a contribution to, or expenditure on behalf of, a candidate in such election, and a post-general election report no later than the 30th day after the general election. 2 U.S.C. § 434(a)(4)(A)(ii) and (iii). Those reports shall disclose the total amount of disbursements including, *inter alia*, transfers to other political party committees, and disbursements for federal election activity. 2 U.S.C. § 434(b)(4), 11 C.F.R. §§ 104.3(b)(1) and 300.36(b)(2).

The Committee failed to comply with these reporting requirements by not disclosing disbursements totaling \$93,178 in its 2004 Pre-General Report and \$131,998 in its 2004 Post-General Report. Therefore, there is reason to believe that West Virginia State Democratic Executive Committee and Brian Kastick, in his official capacity as treasurer, violated 2 U.S.C. § 434(b).